

Teraju: Pandemic causes drop in hiring of bumiputera grads in 2020

KUALA LUMPUR: Only about 73,400 bumiputera graduates (or 27 per cent) were hired by the private sector in 2020 compared to 103,900 (40 per cent) in 2019, according to the Bumiputera Agenda Steering Unit (Teraju).

A study by the agency attributed the decline to a 29.3 per cent drop in job opportunities over two years.

"Looking at it carefully, it is due to the Covid-19 pandemic," stated the study entitled 'The Pandemic Impact on Employment Opportunities Among Bumiputera Graduates' by Teraju's research, analytics and information technology (RAIT) unit.

The findings were obtained by two methods, firstly comparing racial composition and year to determine the number of Bumiputera public (IPTA) and private (IPTS) tertiary institution graduates and the impact of the Covid-19 pandemic on recent graduates.

Secondly, studying the imbalance in employment opportunities in a particular year and comparing it with the number of bumiputera graduates from that year.

The **unemployment survey report**, 2020 bumiputera data and fourth quarter 2020 employment data from the Department of Statistics, Malaysia (DOSM), Department of Labour, Peninsular Malaysia (JTKSM) and Ministry of Human Resources (KSM), Malaysia were utilised as a source of secondary data.

According to the study, and based on 2017 - 2020 data from IPTA and IPTS, bumiputera graduates increased by 84 per cent (259,659), Chinese by 12 per cent (35,904) and Indians by 4 per cent (12,055).

Citing 2020 graduate data from DOSM, the study also found that the number of unemployed graduates increased by 22.5 per cent (202,400) in 2020 from 165,200 the previous year, and that 70 per cent were bumiputera.

The study found that a majority of the unemployed were from the B40 and M40 groups who rely on salaries and wages as a source of income.

"In light of this, graduates – and especially the bumiputera – are vulnerable to negative economic shocks like unemployment due to recession and so on.

"This is because of the wide bumiputera income gap and limited financial resources," the study revealed.

According to Teraju -- and based on a special study by DOSM last year of the effect of Covid-19 on the number of bumiputera and non-bumiputera IPTA and IPTS graduates -- nearly 270,00 bumiputera had graduated, which was an increase of about 10 per cent compared to 2018.

"This is in line with the growth in the number of graduates in Malaysia projected at 316,000 in 2020 compared to 300,000 in 2018, an increase of 5.4 per cent," the study stated.

The study, citing DOSM, also found that there was a decline in employment from third quarter 2019 to fourth quarter 2020.

"Skilled labour jobs plummeted to 3,600 in second quarter 2020 from more than 12,000 in the same period the year before, which is a 70 per cent drop."

Therefore, Teraju has drawn up initiatives to increase the skilled labour market participation of the bumiputera in line with the Bumiputera Development Action 2030 (TPB2030) which is due to be launched.

"As the principal coordinating agency for bumiputera socio-economic development, Teraju has drawn up plans to set up the Bumiputera Centre of Excellence (CoE) which provides education from an early age to tertiary level.

"It also offers professional development programmes such as financial literacy and entrepreneurship, as well as courses of different disciplines," the study revealed. -- Bernama

<https://www.nst.com.my/news/nation/2021/09/729975/teraju-pandemic-causes-drop-hiring-bumiputera-grads-2020>